



General Assembly

February Session, 2010

**Amendment**

LCO No. 4735

**\*HB0537904735HDO\***

Offered by:

REP. FOX, 146<sup>th</sup> Dist.

REP. O'NEILL, 69<sup>th</sup> Dist.

REP. LAWLOR, 99<sup>th</sup> Dist.

To: Subst. House Bill No. 5379

File No. 563

Cal. No. 352

**"AN ACT CONCERNING OFFERS OF COMPROMISE IN  
ARBITRATION OF CONSTRUCTION CONTRACTS."**

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- 1       Strike section 1 in its entirety and insert the following in lieu thereof:
- 2       "Section 1. (NEW) (*Effective October 1, 2010*) (a) For the purposes of
- 3       this section, "construction contract" means any contract entered into on
- 4       or after the effective date of this section, for construction, renovation or
- 5       rehabilitation in this state, including any improvements to real
- 6       property that are associated with such construction, renovation or
- 7       rehabilitation, or any subcontract for construction, renovation or
- 8       rehabilitation between an owner and a contractor, a contractor and a
- 9       subcontractor or a subcontractor and another subcontractor.
- 10      "Construction contract" does not include (1) any public works or other
- 11      contract entered into with the state of Connecticut or any other state or
- 12      the United States, or (2) a contract or project funded or insured by the
- 13      United States Department of Housing and Urban Development.

14 (b) After any party to a construction contract has made a demand  
15 for arbitration pursuant to the dispute resolution provision of such  
16 contract, any such party may, not more than once and at any time  
17 before a final award is rendered by the arbitration panel, send, by  
18 certified mail, return receipt requested, to the opposing party or his  
19 attorney, a written offer of compromise, signed by the party or his  
20 attorney and directed to the opposing party or his attorney, offering to  
21 settle all of the claims set forth in the arbitration for a sum certain.  
22 Within thirty days after being notified of the offer of compromise and  
23 prior to the rendering of an order confirming, vacating, modifying or  
24 correcting an award or the entering of a judgment or decree upon an  
25 award, the opposing party or his attorney may reply, by certified mail,  
26 return receipt requested, with a written acceptance of the offer of  
27 compromise agreeing to settle all claims set forth in the arbitration for  
28 the sum certain specified in the offer of compromise. If the offer of  
29 compromise is not accepted within thirty days and prior to the  
30 rendering of an order or the entering of a judgment or decree by the  
31 court, the offer of compromise shall be considered rejected and not  
32 subject to acceptance.

33 (c) After issuance of a final arbitration award and upon the  
34 application of any party to a construction contract to confirm, vacate,  
35 modify or correct the award, any such party who made an offer of  
36 compromise which the opposing party failed to accept may file with  
37 the court proof of his offer of compromise. If the court confirms the  
38 arbitration award and ascertains from the record that the party has  
39 recovered an arbitration award in an amount equal to or greater than  
40 the sum certain specified in the party's offer of compromise, the court  
41 shall add to the amount of the award eight per cent annual interest on  
42 said amount, in addition to any interest awarded by the arbitrator. The  
43 interest shall be computed from the date the arbitration commenced.  
44 The court shall award reasonable attorney's fees and costs for bringing  
45 the action to confirm, vacate, modify or correct the award and shall  
46 render judgment accordingly. This section shall not be interpreted to  
47 abrogate the contractual rights of any party concerning the recovery of

48 attorney's fees in accordance with the provisions of any written  
49 contract between the parties to the arbitration."